
HOUSE BILL 1564

State of Washington

60th Legislature

2007 Regular Session

By Representatives Ericksen, Curtis, McDonald, Ahern, Ross, Strow, Haler, Linville, McCune, Green, Conway and Bailey

Read first time 01/23/2007. Referred to Committee on Finance.

1 AN ACT Relating to tax incentives for motor vehicle purchases to
2 reduce air pollution; adding a new section to chapter 82.08 RCW; adding
3 a new section to chapter 82.12 RCW; creating a new section; and
4 providing an expiration date.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.08 RCW
7 to read as follows:

8 (1) The tax levied by RCW 82.08.020 does not apply to sales of
9 passenger vehicles, if the purchaser trades in a passenger vehicle that
10 is more than fifteen years old and the vehicle to be traded in is not
11 compliant with United States environmental protection agency tier II
12 emission standards. The exemption is only for the first two thousand
13 dollars of tax paid on the purchase price.

14 (2) For the purposes of this section, "passenger vehicle" has the
15 same meaning as "passenger car" provided in RCW 46.04.382.

16 (3) The exemption is available only if:

17 (a) The passenger vehicle to be traded in has been licensed and
18 registered for the twenty-four-month period immediately preceding the
19 sale and is in satisfactory operating condition; and

1 (b) The new vehicle purchased has a United States environmental
2 protection agency highway gasoline mileage rating of at least twenty-
3 six miles per gallon.

4 (4) Any trade-in property acquired from a person claiming the
5 exemption in this section must be destroyed.

6 (5) The total amount that may be taken by all purchasers as an
7 exemption under this section and section 2 of this act is twenty-five
8 million dollars per year. If the department determines that at least
9 twenty-two million dollars has been taken as an exemption under this
10 section and section 2 of this act, the department shall notify motor
11 vehicle dealers, in a writing sent by certified mail, that requires
12 dealers not to provide the exemption to motor vehicle purchasers
13 beginning two weeks from the date the letter is postmarked.

14 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.12 RCW
15 to read as follows:

16 (1) The provisions of this chapter do not apply with respect to the
17 use of passenger vehicles if the purchaser trades in a passenger
18 vehicle to a motor vehicle dealer that is more than fifteen years old
19 and the vehicle to be traded in is not compliant with United States
20 environmental protection agency tier II emission standards. The
21 exemption is only for the first two thousand dollars of tax paid on the
22 purchase price.

23 (2) "Passenger vehicle" has the same meaning as provided in section
24 1 of this act.

25 (3) The exemption is available only if:

26 (a) The passenger vehicle to be traded in has been licensed and
27 registered for the twenty-four-month period immediately preceding the
28 sale and is in satisfactory operating condition; and

29 (b) The new vehicle purchased has a United States environmental
30 protection agency highway gasoline mileage rating of at least twenty-
31 six miles per gallon.

32 (4) Any trade-in property acquired from a person claiming the
33 exemption in this section must be destroyed.

34 NEW SECTION. **Sec. 3.** This act may be known and cited as the clean

1 air and automobile incentive program.

2 NEW SECTION. **Sec. 4.** This act expires July 1, 2009.

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